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20 JUL 1976

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**\*OMB Waiver Letter In ERU File\***


MEMORANDUM FOR: ✓ Deputy Director for Administration  
Deputy Director for Intelligence  
Deputy Director for Operations  
Deputy Director for Science and Technology

SUBJECT: Productivity Management Program

REFERENCE: OMB Memorandum for Heads of Executive Departments  
and Establishments, dtd. 13 July 76, Same Subject

A copy of the referent memorandum is attached for your information and action. I endorse the objectives outlined and urge your full cooperation in supporting the concept of productivity enhancement. You and your program managers should continue to seek ways to further improve productivity and to achieve economies in the conduct of Agency activities. Meaningful and measurable results of actions taken to increase productivity should be emphasized in your program and budget submissions.

STATINTL

  
E. H. Knoche  
Deputy Director for Central Intelligence

cc: Comptroller

Attachment:  
As Stated



OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

July 13, 1976

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Productivity Management Program

The President has put special emphasis on programs to increase productivity in all sectors of our economy. He has been particularly concerned that ways be found to increase productivity in the Federal sector.

Primary responsibility to improve productivity is with each agency head. It is only through your full support and personal attention to bringing about improvements that we can realize the President's goals. I, therefore, urge each of you personally to insure that every opportunity to improve your agency's productivity is realized.

In order to carry out these objectives, I want to clarify changes in central agency assignments made since the OMB memorandum of July 9, 1973 on productivity and to emphasize new responsibilities under P.L. 94-136, the National Productivity and Quality of Working Life Act of 1975.

Under this law, the National Center for Productivity and Quality of Working Life was established with broad responsibilities for sustaining productivity growth in all sectors of the economy. As part of this responsibility, the Center will assume coordination of the internal Federal productivity improvement program, and provide guidance and assistance to agencies in developing internal productivity improvement and measurement programs. It will issue the annual productivity data call and report annually to the President and Congress.

With the assumption of the annual reporting responsibility by the Center, the annual report heretofore prepared under the Joint Financial Management Improvement program (JFMIP) auspices will be discontinued after completion of the report for FY 1975.

I want to assure the continuity of the productivity activities which have been carried on by the current participants in the joint Federal program. In this regard I ask their full cooperation and support of the Center.

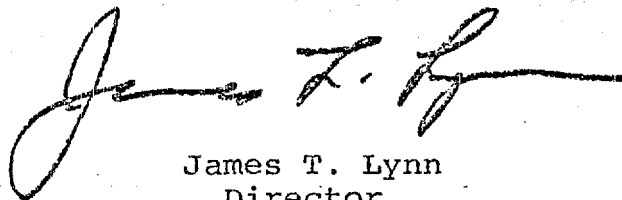
Jointly with the Center and the Federal agencies, the Bureau of Labor Statistics (BLS) will assure the validity and utility of the data, provide an analysis of the data, provide guidance in developing and improving output indicators, and compute productivity indices.

Jointly with the Center, the Civil Service Commission will determine the impact of Federal personnel policies, statutes and regulations on productivity and quality of working life, and will provide policy guidance and technical assistance to agencies about the personnel management aspects of productivity.

These assignments are intended to provide renewed emphasis to efforts to improve the productivity of Federal agencies. I ask your full support of the new Center and the associated agencies with major central responsibilities for fostering improved productivity. Also, each of you should be fully aware of your specific additional responsibilities under Title III, P.L. 94-136.

In consideration of the recent increases in productivity measurement in the Federal agencies, and in accordance with requirements of sections 13.3 and 24.2 of OMB Circular A-11, you should factor productivity improvement into your budget request. In this regard, OMB will consider productivity trends of the departments and agencies as part of the budget review.

You should also insure that productivity and work measurement are extended to all practical areas and that the data are integrated into your management control and evaluation systems. I want to reemphasize that the basic responsibility for improving productivity rests with the Federal agencies. Each of you should insure that your managers, at every level, take a personal interest in pursuing every opportunity to improve your productivity.

  
James T. Lynn  
Director

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